

fell

# **FAB METAL MINES LIMITED**

## ***Annual Report***

**FOR THE YEAR ENDED DECEMBER 31, 1965**

# FAB METAL MINES LIMITED

---

OFFICERS	FRED A. BOYLEN . . . . . <i>President</i>
	S. A. PERRY . . . . . <i>Vice-President</i>
	G. D. PATTISON . . . . . <i>Secretary-Treasurer</i>
	R. D. BELL . . . . . <i>Asst. Secretary-Treasurer</i>
DIRECTORS	FRED A. BOYLEN . . . . . Toronto, Ontario
	S. A. PERRY . . . . . Toronto, Ontario
	G D. PATTISON . . . . . Toronto, Ontario
	D. A. BOYLEN . . . . . Toronto, Ontario
	R. D. BELL . . . . . Toronto, Ontario
AUDITORS	THORNE, MULHOLLAND, HOWSON & MCPHERSON . . Toronto, Ontario
TRANSFER AGENT AND REGISTRAR	EASTERN & CHARTERED TRUST COMPANY . . . Toronto, Ontario
HEAD OFFICE	SUITE 509, 25 ADELAIDE STREET WEST . . . Toronto, Ontario



# FAB METAL MINES LIMITED

Suite 509, 25 Adelaide Street West

TORONTO 1, ONTARIO

## *Directors' Report*

To the Shareholders,  
FAB METAL MINES LIMITED.

Presented herewith is the financial statement of your Company for the year ended December 31, 1965, with Auditors' Report thereon dated April 11, 1966.

During the past year your Company continued exploration on its property located between the major ore bodies of Brunswick Mining and Smelting Corporation Limited in the Bathurst Area of New Brunswick. The main work performed consisted of a diamond drilling program totalling eleven holes and aggregating 9,844 feet to provide geological information and to test at depth certain mineralized zones for possible improvement in quantity and grade. The results of this drilling were inconclusive, however, the geological information obtained was very encouraging. Brunswick Mining and Smelting Corporation Limited have just recently announced, through the press, that new ore has been discovered, at their No. 12 mine operation, at depth below the 900 foot level and consequently the possibilities at depth on your Company's property are still considered to be relatively untested.

The Company also conducted an induced polarization survey over a portion of the property having a similar geological environment in which the Brunswick Mining and Smelting No. 6 and 12 ore bodies occur. This survey revealed numerous I.P. anomalies some of which were investigated by 2,512 feet of diamond drilling earlier this year. The drilling showed that the anomalies tested were found to be caused by sulphides and graphite. The sulphides contained minor amounts of copper and zinc. Consideration is being given to resuming diamond drilling to test the balance of the anomalies outlined.

A program consisting of geological mapping, detailed soil sampling and a magnetometer survey is now underway on the western portion of the License area to determine if a copper zone on the adjacent property of First Maritime Mining Corporation Limited extends onto the Company's claims. The mineral potential of this area has never been investigated by diamond drilling.

The Company's claims situated in the Nicholas Denys area of the Province of New Brunswick were also the scene of activity during the past year. A program of reconnaissance geochemical soil sampling was completed over these claims. Your Company's consultants have recommended that magnetometer and electromagnetic surveys and detailed soil sampling be performed over these claims. Diamond drilling of this property will depend on the results obtained from this further exploration work.

The remaining properties outlined in Note 1 to the accompanying financial statement are maintained in good standing.

On behalf of the Board,  
FRED A. BOYLEN,  
President.

Toronto, Ontario,  
May 19, 1966.

# FAB METAL M

Incorporated under the laws of the Province of Ontario

## Balance Sheet -

### Assets

#### CURRENT ASSETS:

Cash .....	4,484.61	
Short-term deposit with trust company .....	51,279.90	
Marketable securities, at cost (market value \$13,740.00) .....	16,097.81	
Accrued interest receivable .....	322.19	
Accountable exploration advances to a director .....	10,575.28	
Deposit and prepaid expense .....	1,020.00	83,779.79
		<hr/>
INVESTMENT IN A MINING COMPANY, at nominal value (no quoted value) .....		1.00
CAMP EQUIPMENT, at cost .....		2,192.50
MINING PROPERTIES AND CLAIMS, at cost in cash (note 1) .....		30,965.25
DEFERRED EXPLORATION AND DEVELOPMENT on mining properties and claims in good standing (note 2) .....		320,566.37
		<hr/>
		<u>\$437,504.91</u>

The accompanying notes are a part of this financial statement.

Approved on behalf of the Board of Directors

FRED A. BOYLEN, *Director*.

*Auditor*

To the Shareholders of  
FAB METAL MINES LIMITED:

We have examined the balance sheet of Fab Metal Mines Limited, and deferred exploration and development for the year ended December 31, 1966, and the accounting procedures and such tests of accounting records as we considered necessary in the circumstances.

In our opinion the above balance sheet and related statements present fairly the financial position of the company at December 31, 1966, in accordance with generally accepted accounting principles applied

Toronto, Canada,  
April 11, 1966.



# NES LIMITED

laws of Ontario

December 31, 1965

## *Liabilities*

### CURRENT LIABILITIES:

Accounts payable and accrued liabilities..... 2,360.77

## *Shareholders' Equity*

### CAPITAL STOCK (note 3):

Authorized, 5,500,000 shares of \$1.00 par value each

Issued, 4,300,000 shares, as follows:

	No. of shares and par value	Discount	Net
Balance at beginning of year .....	3,500,000	2,783,745.75	716,254.25
Issued during year, for cash .....	800,000	655,000.00	145,000.00
Balance at end of year.....	<u>4,300,000</u>	<u>\$3,438,745.75</u>	<u>861,254.25</u>
DEFICIT .....		427,470.85	
CONTRIBUTED SURPLUS .....		<u>1,360.74</u>	<u>426,110.11</u>
			<u>\$437,504.91</u>

egral part of this statement.

of the Board.

G. D. PATTISON, *Director*.

## *Report*

mitted as at December 31, 1965 and the statements of deficit,  
ended on that date. Our examination included a general review  
other supporting evidence as we considered necessary in the

f deficit, administration, and deferred exploration and development  
65 and the results of its operations for the year ended on that date,  
a basis consistent with that of the preceding year.

THORNE, MULHOLLAND, HOWSON & McPHERSON  
Chartered Accountants

# FAB METAL MINES LIMITED

## NOTES TO FINANCIAL STATEMENT

Year ended December 31, 1965

### 1. MINING PROPERTIES AND CLAIMS:

8 Patented claims and 50 acres of land in fee simple in Cardiff Township, Ontario	7,550.00
106 Claims in the Parish of Bathurst, Gloucester County, New Brunswick .....	17,300.00
27 Claims in Urban and Carpique Townships, Quebec .....	3,115.25
6 Claims in Barry Township, Quebec .....	3,000.00
	<u>\$ 30,965.25</u>

### 2. DEFERRED EXPLORATION AND DEVELOPMENT:

<u>Location of mining claims</u>	<u>Balance at beginning of year</u>	<u>Expenditures during year</u>	<u>Transferred to deficit</u>	<u>Balance at end of year</u>
Cardiff Township, Ontario .....	6,619.33	154.32		6,773.65
Gloucester County, New Brunswick	210,690.56	70,747.36		281,437.92
Urban and Carpique Townships, Quebec .....	27,907.34	4,447.46		32,354.80
General .....	3,649.36	28.72	3,678.08	
	<u>\$248,866.59</u>	<u>\$ 75,377.86</u>	<u>\$3,678.08</u>	<u>\$320,566.37</u>

### 3. CAPITAL STOCK:

At December 31, 1965 an option was outstanding to an underwriter with respect to 200,000 shares of the company's capital stock at 30¢ per share exercisable on or before January 27, 1966. This option has subsequently been extended to April 27, 1966.

## STATEMENT OF DEFICIT

Year ended December 31, 1965

Deficit at beginning of year .....	236,426.15
Add:	
Administration, current and prior years .....	185,985.62
General exploration, current and prior years .....	3,678.08
Advances to a mining company written off .....	830.00
Loss on sale of marketable securities .....	551.00
	<u>191,044.70</u>
DEFICIT AT END OF YEAR .....	<u>\$427,470.85</u>



# FAB METAL MINES LIMITED

## STATEMENT OF ADMINISTRATION

Year ended December 31, 1965

Deferred administration at beginning of year .....			168,179.06
Expenditures during year:			
Annual report .....	678.31		
Audit fees .....	1,025.00		
Directors' fees .....	1,650.00		
Government fees and taxes .....	325.00		
Legal fees and expenses .....	1,277.05		
Listing fees .....	100.00		
Management salary .....	5,000.00		
Office rent .....	810.00		
Postage, telephone and telegraph .....	1,473.73		
Secretarial and accounting services .....	2,400.00		
Shareholders' information .....	3,944.53		
Transfer agent's fees and expenses .....	1,714.05		
Travel .....	119.62		
General expense .....	454.48	20,971.77	
<i>Deduct:</i>			
Dividends received .....	375.00		
Interest earned .....	2,790.21	3,165.21	17,806.56
TOTAL ADMINISTRATION TRANSFERRED TO DEFICIT .....			<u>\$185,985.62</u>

## STATEMENT OF DEFERRED EXPLORATION AND DEVELOPMENT

Year ended December 31, 1965

Balance at beginning of year .....			248,866.59
Assays .....	2,036.28		
Consultant's fees and expenses .....	11,091.54		
Diamond drilling .....	46,697.61		
Engineering .....	557.50		
Equipment rentals .....	207.80		
Government fees and taxes .....	4,219.95		
Linecutting .....	2,369.00		
Supplies .....	869.44		
Survey .....	100.00		
Travelling and transportation .....	5,730.77		
Wages .....	948.00		
General expenses .....	549.97	75,377.86	
			<u>324,244.45</u>
<i>Deduct</i> General exploration, current and prior years, transferred to deficit .....			3,678.08
BALANCE AT END OF YEAR .....			<u>\$320,566.37</u>

